



DEPARTMENT OF THE ARMY

WASHINGTON, D.C. 20310

August 3, 1999

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Implementing a Paperless Contracting Process by
January 1, 2000

The Secretary of Defense has directed that each Service modernize its acquisition process in the areas of contract writing, logistics, administration, finance and auditing by implementing a Paperless Contracting process before January 1, 2000. The goal of this initiative is to eliminate all paper transactions from the contracting process, from requirement handoff through contract closeout. A key component of the Army's Paperless Contracting strategy involves successfully fielding the Standard Procurement System (SPS), a DoD program to automate all Defense contracting offices, including contingency contracting operations, with a single procurement software. All DoD contract writing systems will be retired and replaced by SPS.

Paperless Contracting and the SPS program will pay major dividends for the Army by reducing acquisition cycle times, resource requirements, and unmatched disbursements, as well as improving our relationships with industry. However, like most large scale Information Technology deployments, to reap these savings most effectively we must implement the new system quickly and completely. If we fail to implement this system, or if we linger in its deployment, we seriously jeopardize our ability to meet DoD Paperless Contracting goals, reap technology benefits, or posture ourselves for the future.

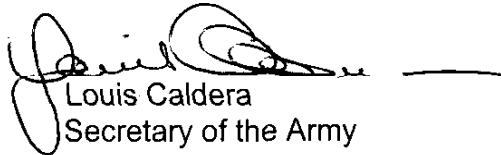
The Assistant Secretary of the Army (Acquisition, Logistics and Technology)(ASA(ALT)) is charged with implementing Paperless Contracting and fielding SPS. He has established an Army Working Integrated Process Team (WIPT) which works closely with your Principal Assistant Responsible for Contracting (PARC) to achieve DoD paperless goals. The WIPT operates under the umbrella of the Office of the Secretary of Defense (OSD) Paperless WIPT to ensure the Army paperless vision and approach is consistent with OSD directives and well coordinated with the other Services and Defense Agencies.



The Army remains totally committed to successfully implementing a Paperless Contracting process and to standardizing the procurement process throughout DoD using the SPS. As of January 1, 2000, the SPS will be the only authorized procurement system in the Army, unless a specific waiver is granted by the ASA(ALT) or his designee. It remains crucial that your command is organized and resourced to meet the challenge of implementing Paperless Contracting and SPS. Further, to achieve success your PARC must receive the strong support from other functions within your command, to include information management, resource management and logistics. We sincerely appreciate your strongest support to ensure the success of Paperless Contracting.



Eric K. Shinseki
General, United States Army
Chief of Staff



Louis Caldera
Secretary of the Army

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